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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Standing Committee on Economic Cooperation among Developing Countries on its second session

held at the Palais des Nations, Geneva,
from 14 to 18 November 1994

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INTRODUCTION

1. The Standing Committee on Economic Cooperation among Developing Countries held its second session at the Palais des Nations, Geneva, from 14 to 18 November 1994.

2. In the course of its session, the Standing Committee held four plenary meetings (5th-8th plenary meetings).

Opening statements

3. The **Chairman**, referring to recent examples of ECDC such as the Alliance for Sustainable Development in Central America, said that such initiatives contributed to the strengthening of regional cooperation and thus might be emulated by other developing countries and groupings. Regarding the role of the Standing Committee, he stressed that the Committee should be a mechanism for the exchange and transfer of ECDC knowledge and practices, a catalyst for policy dialogue on ECDC, and a "bridge" between developing and developed countries, particularly concerning developed-country support for technical and economic cooperation among developing countries.

4. The **Officer-in-Charge of UNCTAD** said that the revival of interest in ECDC, in both developing and developed countries, had continued unabated against the backdrop of a number of positive trends. An ever-growing number of countries were implementing structural adjustment programmes to create an environment that was more conducive to economic efficiency and private-sector initiative. The increasing importance of the private sector found expression in the growth of developing-country enterprise cooperation arrangements, both within regions and interregionally.

5. At the same time, financial liberalization and other reform efforts were giving rise to a much stronger financial sector in developing countries, which in turn was generating growing interest in cooperation in the development of regional capital markets. Additionally, important initiatives were being pursued with the framework of regional arrangements, such as monetary harmonization, strengthening of multilateral clearing and payments arrangements, trade financing and export credit and guarantee schemes. These developments facilitated cross-border investment, provided the necessary market size for the viability of investments, helped in the mobilization of resources and encouraged linkages between economies.

6. As for regional economic arrangements, expansion, consolidation and intensification were continuing, and the performance of these arrangements was better now than previously owing in part to the adoption of market-oriented policies which gradually led to a certain convergence of macro-economic policies and enhanced possibilities for ECDC.

7. All these initiatives provided greater scope for cooperation in the development of infrastructure and in other specific projects in the areas of energy, industry, agriculture, tourism, and human resource development, as well as in the establishment and operation of a range of common services covering such areas as environmental protection, research, technology and regional security. At the same time, South-South trade continued to expand, with the rate of growth in the last few years being particularly marked.

8. The potential for ECDC was, however, still a long way from being fully realized. Obstacles to South-South trade still existed, for example relatively high tariffs, non-tariff barriers and a range of physical barriers including deficient transport links. Thus, the intra-trade carried out within the framework of regional arrangements remained low compared with global trade. In addition, the formal provisions for trade liberalization of regional integration groupings had in practice not always been implemented. Another area of ECDC which did not seem to have received sufficient attention concerned joint cooperation and dialogue in improving the effectiveness of action by developing countries in the field of international economic negotiations. An example of the value of this approach had been seen in the Uruguay Round of Multilateral Trade Negotiations, where cooperation between developing countries, supported by UNCTAD, had played a great part in enabling these countries to cope with the trade negotiation agenda.

9. With regard to the work programme of the Standing Committee, there was need for sharper focus. Areas of work to which the Standing Committee might wish to give special attention in the forthcoming period might involve: measures for increasing trade among developing countries, as well as trade with developed countries; the fuller integration of the enterprise sector in ECDC processes; more intense dialogue and communication among developing countries; and continued development of the "partnership dialogue" between developed countries, developing countries and their respective institutions. In respect of the latter, the discussion by the Standing Committee of the issues raised in the report of the Intergovernmental Group of Experts on Economic Cooperation among Developing Countries (TD/B/CN.3/6-TD/B/CN.3/GE.1/5) should give impetus and add depth to the dialogue, whose results should constitute a major input into the work of the international conference on ECDC being proposed by the Group of 77.

Chapter I

STRENGTHENING SUBREGIONAL AND REGIONAL INTEGRATION AND FOSTERING INTERREGIONAL COOPERATION, AS WELL AS PROMOTION AND EXPANSION OF TRADE AMONG DEVELOPING COUNTRIES

REVIEW OF MAJOR DEVELOPMENTS IN THE AREA OF ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES, INCLUDING REGULAR CONSULTATIONS AND TECHNICAL SUPPORT, ASSISTANCE AND SKILL DEVELOPMENT

(Agenda items 3 and 4)

10. For its consideration of agenda items 3 and 4, the Standing Committee had before it the following documentation:

"Strengthening subregional and regional integration and fostering interregional cooperation, as well as promotion and expansion of trade among developing countries" - report by the UNCTAD secretariat (TD/B/CN.3/8);

"Review of major developments in the area of economic cooperation among developing countries, including regular consultations and technical support, assistance and skill development" - report by the UNCTAD secretariat (TD/B/CN.3/9 and Add.1);

"Review of major developments in the area of economic cooperation among developing countries, including regular consultations and technical support, assistance and skill development" - note by the UNCTAD secretariat (TD/B/CN.3/Misc.2); and

"Report of the Intergovernmental Group of Experts on Economic Cooperation among Developing Countries" (TD/B/CN.3/6-TD/B/CN.3/GE.1/5).

11. The **Director of the Division for ECDC and Special Programmes**, introducing the documentation prepared by the UNCTAD secretariat, said that, on item 3, document TD/B/CN.3/8 reviewed recent policy initiatives, dealt with the major problems and obstacles encountered in ECDC, and provided policy recommendations regarding trade policies, monetary and financial cooperation, trade efficiency and facilitation, transport, institutional issues and external support for action by the Committee. On item 4, document TD/B/CN.3/9 reviewed salient developments in ECDC, namely South-South trade policies and flows; monetary and financial cooperation; subregional and regional integration and interregional cooperation; and advisory support and technical assistance provided by the secretariat. With regard to document TD/B/CN.3/6-TD/B/CN.3/GE.1/5, the recommendations of the Intergovernmental Group of Experts on Economic Cooperation among Developing Countries included the promotion of dialogue between ECDC entities and their international partners, the consideration of the regional dimension by regional and international financial institutions, a request for cooperation between UNCTAD and the OECD Development Aid Committee regarding data collection and dissemination on external support to ECDC, and the facilitation of dialogue by UNCTAD.

12. Since the first session of the Standing Committee, the Division for ECDC had finalized 25 other studies and carried out four technical assistance programmes in conformity with its mandate. She urged delegations to determine future priorities and actions in ECDC in the light of the work done by the secretariat. She expressed her concern about the reduction of resources for regional and intergovernmental projects that had resulted in the phasing-out of technical assistance for regional and interregional cooperation and integration.

13. The spokesman for the **European Union** (Germany) expressed the European Union's particular interest in regional cooperation in the ECDC context. While it was well recognized that each regional grouping had its own particularities, the European Union could nevertheless offer valuable examples relating to various aspects of regional integration. Moreover, it had taken various cooperation initiatives with groupings of developing countries. He underscored the synergies liberated by the growing specificities of developing countries and their cooperation with developed countries. He supported developing countries' efforts for the elimination of trade barriers and the creation of larger economic spaces among themselves as a complement to the results of the Uruguay Round. Beside its positive role in avoiding regional conflicts or the isolation of individual countries, regional integration could also create an atmosphere of trust and produce considerable economies of scale, as well as diverting resources from military to development use. He considered that the Lomé Conventions and the European Union's dialogue with Latin America, the Mediterranean Basin and Asia offered a good institutional and financial framework for close interregional cooperation.

14. The representative of **Indonesia** said that, although South-South trade had been increasing consistently over the last seven years, trade and economic relations among developing countries remained the weak link in the network of international economic cooperation. The creation among developing countries of organizations for regional cooperation and of subregional economic groups should constitute a mainstay for South-South cooperation, and the external policy reforms undertaken by many developing countries to promote outward export-oriented and market-based policies would constitute a conducive basis for such regional economic cooperation. Regional cooperation needed to be conceived not only in terms of exploiting complementarities but also as a means of improving the overall efficiency and competitiveness of productive sectors. A stronger focus on the mobilization of both domestic and foreign investment was needed, and the improvement of the investment climate in a regional perspective could strengthen the intra-regional supply of goods and services.

15. As regards interregional trade, the Global System of Trade Preferences among Developing Countries (GSTP) constituted a primary vehicle for promoting South-South trade and was an essential mechanism for strengthening collective self-reliance. In this regard, he expressed his delegation's disagreement with several statements made in the UNCTAD document entitled "Impediments and disincentives to trade among developing countries: a survey" (UNCTAD/ECDC/244) to the effect that the GSTP remained a hostage to the low number of countries participating in it and to the low number of concessions agreed and that an across-the-board scheme was required. In fact, 40 countries were participating in the System, including the main trading developing nations, with six additional countries having applied for

membership, and the Second Round of Negotiations was now under way with a view to carrying forward the exchange of concessions; in addition, while an across-the-board scheme was already under discussion in the Second Round, a divergence of views still existed among the participating countries themselves. His delegation therefore suggested that the relevant paragraphs of the document concerned be revised in order to reflect the true situation.

16. Finally, while his delegation was in full agreement with the Cartagena Commitment to the effect that the implementation and strengthening of ECDC was primarily the responsibility of the developing countries, the international community was invited to provide adequate assistance, technical cooperation and other support for specific economic cooperation programmes.

17. The representative of **China** said that, since the Standing Committee's first session, changes had occurred in the world economic situation, including the conclusion of the Uruguay Round of Multilateral Trade Negotiations, the economic recovery of developed countries and the effects of the end of the Cold war. Against this background, an increasing number of developing countries were giving new emphasis to ECDC, as manifested by an initiative of the Group of 77, supported by China, on the convening of an international Conference on South-South Cooperation under United Nations sponsorship.

18. ECDC was a long-term task, and developing countries must not relent in their efforts to strengthen it. Regional organization was one of the positive forms of cooperation. What was more important was the need for substantive cooperation in specific fields. He thus appreciated UNCTAD's recent work on trade financing facilities which could be of great value to developing countries, which were late starters in this field. China, for example, had in July 1994 formally established the China Import and Export Bank.

19. He regretted that China's trade was not reflected in document TD/B/CN.3/9 on trade among developing countries. China's trade with other developing countries had been growing faster than its foreign trade as a whole. For example, in 1992 the value of China's imports had grown by 26.3 per cent, while its imports from other developing countries and regions had risen by 27.7 per cent.

20. Finally, he expressed appreciation for the technical assistance provided by UNCTAD and called for continued efforts in that direction.

21. The representative of **Kenya** said that ECDC represented one of the best hopes emerging from the Spirit of Cartagena, which had created unprecedented consensus on ECDC. What was important now was to establish priorities and to develop concrete proposals for action based on the elements delineated in the documentation prepared by the UNCTAD secretariat. As far as developing countries were concerned, the Group of 77 should discuss and determine within each regional group its joint positions on, for example, sustainable development. Since the Cartagena Commitment redefined the relationship between North and South as a partnership through dialogue, as evidenced by the work of the Intergovernmental Group of Experts on ECDC, developed countries should not only listen but also participate in the process of ECDC. Nevertheless, what was most important but mostly missing was the demand from developing countries, and he urged developing countries to come up with concrete proposals and ideas.

22. The representative of the **Economic Commission for Africa** (ECA) noted that in his region, the recently created African Economic Community (AEC) would serve as the framework for integration. As a response to the specific needs of the African continent, the AEC model consisted of three major elements, namely the development of intraregional trade, the development of production, and the development of infrastructure. Due to the weakness of production and infrastructure, integration by market liberalization in itself could not automatically lead to increased trade flows. The existing African subregional groupings (ECOWAS, ECCAS, PTA/COMESA, SADC and the initiatives of the French-speaking countries) had already adopted this model. Moreover, the initiatives of the French-speaking countries had created in-depth harmonization of rules. He suggested that efforts towards harmonization and trade liberalization among subregional groupings, supplemented by sectoral and infrastructural development programmes, should serve as platforms for efficient linkages and long-term fusion among them.

23. He informed participants about his Commission's activities in support of regional integration (in close collaboration with UNDP, UNCTAD, FAO and UNIDO), including sectoral studies on agriculture, electricity networks, transport, communication and monetary harmonization. He stressed that the follow-up to these studies depended on a solution to the key problem of lack of financial resources. In this regard, ECA was implementing subregional systems of self-financing tailored to the particularities of each grouping. These systems aimed at reducing the almost exclusive dependence of integration processes on external financing.

24. The representative of **FAO** said that her organization regarded ECDC and TCDC as key elements in the search for collective self-reliance and essential contributions to the structural changes required for a balanced and equitable process of world economic development. ECDC and TCDC were among the priority means of action in FAO's activities, undertaken in collaboration with various regional and subregional organizations, in the fields of regional and subregional development strategies and policies, food security, agricultural trade and commodities, food quality control and food safety, fisheries, and forestry. These activities included, inter alia, studies and technical assistance on trade in agricultural commodities and on the implications of regional trade arrangements and the Uruguay Round; collaboration with OAU in the preparation of a Common African Agricultural Programme; assistance for regional/subregional food security programmes, including exchange of food security information, pest control management programmes, and increase in food production in low-income food-deficit countries; assistance for the harmonization of food quality control and food safety; and a global fish marketing information system.

25. The representative of **Japan** said he agreed with the Officer-in-Charge of UNCTAD on the importance of ECDC against the backdrop of the global political and economic changes now taking place. In the light of the increased significance of strategy for formulating a new international order, the Japanese Government had hosted the International Conference on African Development in Tokyo in 1993, and, as part of the follow-up to the Conference, an Asia-Africa Seminar would be convened in Indonesia in December 1994. At the General Assembly, the Japanese Foreign Minister had said that, in today's world, South-South cooperation, where more advanced developing countries shared their experience and technology with other developing countries, was of

increasing significance, and that Japan intended to suggest concrete plans for the promotion of South-South cooperation around the globe. His delegation believed that it was essential to sort out and review the existing framework, to study what advanced technology each country had and to study the concrete needs for assistance.

26. The representative of the **Islamic Republic of Iran** called for a careful examination of past ECDC experiences. He considered that both general and specialized groupings had to deal with a comprehensive range of activities, and regarding the conditions for successful integration, he stressed the importance of a favourable socio-political environment, a homogeneous approach to world economic issues, progress in achieving structural reforms in member countries, and policy coordination. In addition, external support in the form of capital inflows seemed to be vital. The essence of regional integration was the harmonization of policies and practices, along with concerted actions in global trade and development issues. Economic cooperation groupings required strengthened dynamism as a response to challenges such as the new agendas for multilateral negotiations in the post-WTO era, the ever-increasing sophistication of market structures, and the emerging environmental standards. For ECDC and its external support, these new global parameters entailed the redesign and consolidation of activities.

27. Regarding his country's contribution to more dynamic regional integration, he cited the recent expansion of the Economic Cooperation Organization (founded by the Islamic Republic of Iran, Pakistan and Turkey) to include seven Asian countries in transition, as well as a four-day seminar to be held in Tehran in December 1994 on the consolidation of this grouping under the new framework.

28. The representative of the **United Kingdom** said that the extent of representation of developing countries at the Standing Committee's second session did not reflect the importance accorded by them to ECDC. Referring to document TD/B/CN.3/8, he observed that some of the suggestions contained therein merited consideration. For example, one particularly striking phenomenon was that certain developing countries were members of about six different regional cooperation groupings. Such multiple membership raised many difficulties, so the recommendation on the rationalization of overlapping groupings deserved priority attention. Of equal importance was the need for concrete action by developing countries themselves to strengthen ECDC. Finally, existing financial resources should be put to better use, as new resources for ECDC were not likely to be forthcoming from the donor community.

29. The spokesman for the **Group of 77** (Thailand) said that the rationale for ECDC had been reinforced by the important changes in the world economy. Recovery and sustained development in the South, besides being beneficial to the South, would also be in the broader interest of the world economy. At the same time, ECDC had to respond to and reflect the recent changes and, indeed, developing countries had responded. The developing countries realized that ECDC was a viable strategy, both for development and for preparing their economies to participate in a competitive world economy. They looked to ECDC as a proving ground for gaining experience through learning-by-doing and accruing, at lower cost and under similar objective conditions, all types of scale economies and resource complementarities. That was why the Ministers of the Group of 77 were calling for a United Nations conference on South-South

cooperation to map out, in full partnership with the developed countries, a strategy for ECDC for the 1990s. The Group expected UNCTAD to provide a major contribution to the preparations for this conference.

30. With regard to the outcome of the Committee's session, t Group of 77 believed that the Committee should put forward a programme of action which gave priority to: follow-up action on the ECDC-Uruguay Round relationship; the launching of the dialogue proposed in the report of the Intergovernmental Group of Experts (TD/B/CN.3/6-TD/B/CN.3/GE.1/5, annex I, para. 12), which should go beyond mere gathering of information and exchange of views to a dialogue in which concrete actions could be taken in support of ECDC and TCDC; concrete actions in the domain of trade financing, including the proposed project for assistance in the field of trade finance involving the interregional development banks and drawing on their financial support, along with that of the donors; and concrete recommendations regarding impediments and obstacles facing South-South trade. He urged the Committee to agree upon a set of conclusions embodying specific actions. ECDC was a common venture in the interest of all members of the international community.

31. Finally, UNCTAD's work on ECDC had been hampered by the lack of resources allocated to the programme, but ECDC clearly could not be effective without technical assistance in the field.

Action by the Standing Committee

32. At the Standing Committee's closing plenary, on 18 November 1994, the **Chairman** introduced draft agreed conclusions of the Standing Committee (TD/B/CN.3/L.6).

33. The **Standing Committee** adopted the draft agreed conclusions, with one oral amendment (for the agreed conclusions as adopted, see annex I).

Closing statement

34. The **Rapporteur** said it was clear from the Standing Committee's discussions that, while economic cooperation among developing countries had increased, there was nevertheless considerable scope for further expansion, and the potential of the ECDC concept was far from exhausted. The Committee's agreed conclusions would help in no small measure to ensure that the efforts of the Committee produced tangible results in terms of actual expansion of ECDC and the inter-sessional meetings of the extended bureau should provide a valuable mechanism for following the work programme in a more sustained manner. In the wake of the Uruguay Round, all countries were trying to come to grips with the new situation and to see how best to benefit from new opportunities. Work in this area would therefore be of particular importance, and, of course, in such efforts it would be crucial to intensify not only South-South cooperation, including bilateral discussions, but also the North-South partnership dialogue in order to ensure the effective support of the developed world for ECDC activities.

Chapter II

ORGANIZATIONAL MATTERS

A. Opening of the session

35. The second session of the Standing Committee on Economic Cooperation among Developing Countries was opened on 14 November 1994 by Mr. D. Nanjira (Kenya), Chairman of the Standing Committee at its first session.

B. Election of officers

(Agenda item 1)

36. At its 5th (opening) plenary meeting, on 14 November 1994, the Standing Committee elected its officers as follows:

Chairman:	Mr. M. Dengo	(Costa Rica)
Vice-Chairmen:	Mr. B.J.A. Achiayao	(Ghana)
	Mr. B. Alipur	(Islamic Republic of Iran)
	Mr. J.R. Salazar	(Colombia)
	Mr. I. Kinnas	(Greece)
	Mr. V. Skliarov	(Russian Federation)
Rapporteur:	Mr. Z. Baltacioglu	(Turkey)

C. Adoption of the agenda and organization of work

(Agenda item 2)

37. At its 5th plenary meeting, on 14 November 1994, the Standing Committee adopted its agenda, as follows:

1. Election of officers

2. Adoption of the agenda and organization of work

3. Strengthening subregional and regional integration and fostering interregional cooperation, as well as promotion and expansion of trade among developing countries

4. Review of major developments in the area of economic cooperation among developing countries, including regular consultations and technical support, assistance and skill development

5. Provisional agenda for the third session of the Standing Committee

6. Other business

7. Adoption of the report of the Standing Committee to the Trade and Development Board.

D. Provisional agenda for the third session of the Standing Committee

(Agenda item 5)

38. At its closing plenary, on 18 November 1994, the **Standing Committee** adopted the draft provisional agenda for its third session (TD/B/CN.3/L.5). (For the provisional agenda, see annex II.)

E. Adoption of the report of the Standing Committee to the Trade and Development Board

(Agenda item 7)

39. At its closing plenary, on 18 November 1994, the **Standing Committee** adopted its draft report (TD/B/CN.3/L.4), subject to any amendments to statements that might be received from delegations, and authorized the Rapporteur to complete the text of the report to reflect the proceedings of the closing plenary.

Annex I

STRENGTHENING SUBREGIONAL AND REGIONAL INTEGRATION AND FOSTERING INTERREGIONAL COOPERATION, AS WELL AS PROMOTION AND EXPANSION OF TRADE AMONG DEVELOPING COUNTRIES

REVIEW OF MAJOR DEVELOPMENTS IN THE AREA OF ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES, INCLUDING REGULAR CONSULTATIONS AND TECHNICAL SUPPORT, ASSISTANCE AND SKILL DEVELOPMENT

Agreed conclusions of the Standing Committee

1. The Standing Committee noted that developing countries have pursued the process of strengthening and expanding their economic cooperation and integration schemes, and have made considerable efforts in this process. At the same time, developed countries and their institutions have also continued to support these initiatives. The present trends in production, trade, investment and technology open an ample and fertile ground for increased ECDC.

2. However, the potential of ECDC as a strategy for promoting economic growth in developing countries is still a long way from being fully realized. The intra-trade of developing countries, both within the framework of the various regional communities and interregionally, remains low compared with their global trade, while in much of the other ECDC areas the achievements are still few and far between. The reasons for this failure to achieve ECDC objectives include, prominently, the fact that the production and export structures of the countries concerned remain largely undiversified, with the result that countries tend to seek protection for more or less the same types of industries. There has also been a lack of adequate transport and communication infrastructures, monetary and financial instruments and business links between member countries. Accordingly, developing countries, despite large disparities among regions, have to adopt strategies that combine trade liberalization with other measures in the areas of production, investment, transport and communications, marketing and distribution, trade information, etc., in order to provide the conditions for intra-trade growth. The proliferation of cooperation and integration groupings with overlapping membership and objectives could be another factor affecting their effectiveness.

3. The Standing Committee has an important role to play in facilitating ECDC processes and in stimulating new ideas and innovations. At its first session in January 1993, the Standing Committee agreed to a wide-ranging work programme designed to strengthen ECDC processes in general and covering the various aspects of trade liberalization, production, money and finance, enterprise cooperation and a range of other functional areas and, importantly, increased dialogue among the developing countries themselves and between them and the wider international community. Considerable progress has been made in fulfilment of this work programme. However, the Standing Committee at its second session decided to give sharper focus to the work in a selected number of areas which hold the promise of having a significant impact on the economies of developing countries within a reasonable time span and, at the same time, of enabling the Committee to report more concrete achievements to the next Conference.

4. In this regard, the Standing Committee will give special attention to measures for increasing the effectiveness of trade liberalization regimes in

regional integration arrangements and for increasing South-South trade, taking into account the elements of trade with the North and having special regard to the role that could be played by the GSTP on the one hand and, on the other hand, existing and emerging market access opportunities in other regions. The Standing Committee also considered ways and means of ensuring fuller integration of the enterprise sector in ECDC processes, involving in particular initiatives designed to help markets to work both within and across national boundaries with greater efficiency and to encourage and facilitate cross-border initiatives by the sector.

5. More intense dialogue and cooperation among developing countries to exchange experiences and provide mutual support and assistance in critical areas, using for example technical cooperation among developing countries (TCDC) mechanisms, was also considered another promising area in the light, especially, of the technical requirements in developing countries for assessing and implementing the Uruguay Round Agreements, adopting measures to take advantage of the new trade opportunities and avoiding negative effects arising from the Round.

6. The "partnership dialogue" between developed and developing countries and their respective institutions launched by the first session of the Standing Committee has broken important new ground in a number of ways. In particular, the dialogue that has been conducted so far has shown that the Standing Committee is one of the important multilateral forums for discussing the role of developed countries and their institutions in the ECDC process and precise ways in which they can support ECDC initiatives. The Standing Committee therefore takes note of the report of the Intergovernmental Group of Experts on Economic Cooperation among Developing Countries, endorses the recommendations of the Group as contained in the appendix to these agreed conclusions and recommends their implementation.

7. In view of the above, the Standing Committee requests the Secretary-General of UNCTAD, within the limits of available resources, to:

- Undertake consultations with the regional development banks with a view to formulating and implementing a programme of technical and financial support of specific ECDC actions for trade financing;

- Explore the possibility of joint actions between the North and South in the areas of investment, production and marketing;

- Identify specific possibilities in the context of intraregional cooperation measures in support of trade expansion, joint production, marketing, investment, technology, transport and communication.

8. The extended Bureau of the Standing Committee will meet between Committee sessions to review developments and exchange experiences, discuss emerging issues and examine ways and means of advancing ECDC/TCDC, such as the mobilization of required financial support. It would also scrutinize the progress made in implementing the programme of work of the Committee and make suggestions on speeding up implementation and effective follow-up.

9. The Standing Committee took note of the proposal for a United Nations conference on South-South cooperation called for by the Group of 77.

Appendix

RECOMMENDATIONS OF THE INTERGOVERNMENTAL GROUP OF EXPERTS ON ECONOMIC COOPERATION AMONG DEVELOPING COUNTRIES, WHICH MET IN GENEVA FROM 27 JUNE TO 1 JULY 1994

The Intergovernmental Group of Experts recommends that:

(a) The Standing Committee support facilitation and promotion of dialogue between ECDC entities themselves and between them and their international partners with the participation of the private sector;

(b) The dialogue could, inter alia, focus on:

(i) Exchange of experience of various regions and programmes;

(ii) Major policy issues affecting donor-recipient relations, including the impact of structural adjustment programmes on regional initiatives and the evaluation of the budget implications, taking into account the reduction of intraregional trade barriers;

(iii) Scope and features of donors' programmes and policies, including the resource constraints they face;

(iv) The medium-term programmes and projects formulated by the ECDC entities, setting a scheduled time frame for action in areas of priority to them;

(v) Identification of areas in which national capacity could be strengthened in so far as ECDC is concerned; in particular, support for training and research in the area of regional integration through seminars, workshops, training and information programmes provided by relevant international bodies;

(c) The Standing Committee call upon regional and international financial institutions to take into account in future the regional dimension in their operation plans, especially through:

(i) Reviewing information about activities and projects decided upon at the regional and subregional levels;

(ii) Facilitating the participation of the regional and subregional groupings as observers in their annual meetings and meetings of the Board of Governors;

(d) The UNCTAD secretariat should request the Development Assistance Committee of the OECD to facilitate the collection, reporting and dissemination of information on ECDC external support;

(e) UNCTAD should cooperate with United Nations regional commissions as well as with other international and regional organizations in giving full support, in particular in:

(i) Providing technical backstopping for this dialogue;

(ii) Providing, on request, assistance to ECDC participants, taking into account the available resources, in formulating specific programmes and projects considered in the course of the dialogue;

In providing this support, UNCTAD should pay particular attention to facilitating interregional dialogue;

(f) The UNCTAD secretariat should undertake comparative analyses of the successes and failures of regional integration and cooperation arrangements, including an analysis of the areas of overlap of two or more regional integration organizations;

(g) The UNCTAD secretariat should explore ways in which the private sector may assist in enhancing regional cooperation arrangements, for example by supporting regional investment projects in key sectors through build-operate-transfer (BOT) type arrangements, investment funds, etc.

Annex II

PROVISIONAL AGENDA FOR THE THIRD SESSION
OF THE STANDING COMMITTEE

1. Election of officers

2. Adoption of the agenda and organization of work

3. Enlarging and deepening monetary, financial and investment cooperation among developing countries and promoting cooperation of the enterprise sectors of developing countries

4. Evaluation of major developments in the area of economic cooperation among developing countries, including implications of the Uruguay Round results on ECDC arrangements and regular consultations, technical support, assistance and skill development

5. Review of the work programme of the Standing Committee, with special emphasis on the preparations for UNCTAD IX

6. Other business

7. Adoption of the report of the Standing Committee to the Trade and Development Board.

Annex III

MEMBERSHIP AND ATTENDANCE 1/

1. The following States members of UNCTAD, members of the Standing Committee, were represented at the session:

Afghanistan
Algeria
Argentina
Austria
Bangladesh
Bolivia
China
Colombia
Costa Rica
Côte d'Ivoire
Cuba
Democratic People's Republic of Korea
Denmark
El Salvador
Ethiopia
France
Germany
Ghana
Greece
Honduras
India
Indonesia
Iran (Islamic Republic of)
Iraq
Jamaica
Japan
Kenya
Lebanon
Libyan Arab Jamahiriya
Madagascar
Malaysia
Mexico
Myanmar
Nepal
Netherlands
Nigeria
Norway
Pakistan
Peru
Philippines
Republic of Korea
Romania
Russian Federation
Saudi Arabia
Spain
Sri Lanka
Sudan
Thailand
Trinidad and Tobago
Tunisia
Turkey
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
Uruguay
Venezuela
Zambia

2. The following other States members of UNCTAD, were represented as observers at the session:

Australia
Burundi
Chile
Dominican Republic
Ecuador
Finland
Hungary
Ireland
Italy
Oman
Paraguay
Portugal
Qatar
South Africa
United Arab Emirates

1/ For the list of participants, see TD/B/CN.3/INF.2.

3. The Economic Commission for Europe, Economic and Social Commission for Asia and the Pacific, the Economic Commission for Africa, and the Economic and Social Commission for Western Asia were represented at the session.

4. The following specialized and related agencies were represented at the session:

Food and Agriculture Organization of the United Nations
International Monetary Fund
United Nations Industrial Development Organization

The General Agreement on Tariffs and Trade was also represented.

5. The following intergovernmental organizations were represented at the session:

European Community
Organization of African Unity

The South African Development Community attended at the special invitation of the secretariat.

6. The following non-governmental organization was represented at the session:

General Category

World Federation of United Nations Associations

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